

**INDEPENDENT AUDITOR'S REPORT  
TO THE PARTNERS OF HCG EKO ONCOLOGY LLP**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the financial statements of **HCG EKO ONCOLOGY LLP** ("entity"), which comprise the balance sheet as at 31 March 2023, and the statement of profit and loss account, and statement of cash flows) for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the entity as at 31 March 2023, and of its financial performance and its cash flows for the year then ended in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India ("ICAI").

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the entity in accordance with the Code of Ethics issued by ICAI and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the state of affairs, results of operations and cash flows of the entity in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may

## **S G M & Associates LLP**

involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**For S G M & Associates LLP**  
Chartered Accountants  
(LLP Registration No. 200058S)

Sd/-  
**S Vishwamurthy**  
Partner  
(Membership No.215675)

Bengaluru, 16 Aug 2023

**HCG EKO Oncology LLP**  
**Balance Sheet as at 31 March 2023**

(Amount in ₹ Million, unless otherwise specifically mentioned)

Particulars	Note No.	As at	
		31-Mar-2023	31-Mar-2022
<b>Equity and Liabilities</b>			
<b>Partner's funds</b>			
<b>Partners capital account</b>			
Partners' contribution	3	1.00	1.00
Partners' current account	3	786.95	659.19
Reserve and surplus	4	(811.78)	(595.95)
<b>Non-current liabilities</b>			
Long-term borrowings	5	209.97	248.78
Long-term provision	6	1.75	1.34
<b>Current liabilities</b>			
Short-term borrowings	7	39.19	31.35
Trade payables	8		
Total outstanding dues of micro enterprises and small enterprises		10.04	0.70
Total outstanding dues of creditors other than micro enterprises and small enterprises		252.07	155.28
Other current liabilities	9	122.14	62.11
Short-term provision	10	0.69	0.69
<b>Total</b>		<b>612.02</b>	<b>564.49</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment and intangible assets	11		
Property, plant and equipment		448.52	486.87
Intangible assets		2.96	4.28
Other non-current assets	12	6.83	7.10
<b>Current assets</b>			
Inventories	13	14.40	8.90
Trade receivables	14	81.16	35.56
Cash and cash equivalents	15	41.88	6.40
Short-term loans and advance	16	4.30	4.33
Other current assets	17	11.97	11.05
<b>Total</b>		<b>612.02</b>	<b>564.49</b>

See accompanying notes forming part of the financial statements

In terms of our report attached  
**For S G M & Associates LLP**  
Chartered Accountants

**For HCG EKO ONCOLOGY LLP**

Sd/-  
**S Vishwamurthy**  
Partner

Sd/-  
**Dr. B S Ajaikumar**  
Designated Partner

Sd/-  
**Nand Singh Rathore**  
Designated Partner

Bengaluru, 16 August 2023

Bengaluru, 16 August 2023

Kolkata, 16 August 2023

**HCG EKO Oncology LLP**  
**Statement of Profit and Loss for the year ended 31 March 2023**

(Amount in ₹ Million, unless otherwise specifically mentioned)

Particulars	Note No.	For the year ended	
		31-Mar-2023	31-Mar-2022
Revenue from operations	18	402.99	256.70
Other income	19	0.50	0.21
<b>Total income (A)</b>		<b>403.49</b>	<b>256.91</b>
<b>Expenses</b>			
Purchase of stock-in-trade		144.50	96.83
Changes in inventory of stock-in-trade		(5.50)	(0.85)
Employee benefit expense	20	67.28	61.34
Finance costs	21	70.87	58.62
Depreciation and amortisation expense	11	54.49	53.39
Other expenses	22	287.68	227.62
<b>Total expenses (B)</b>		<b>619.32</b>	<b>496.95</b>
<b>Profit/(Loss) before tax (C) = (A-B)</b>		<b>(215.83)</b>	<b>(240.04)</b>
<b>Tax expense</b>			
Current tax		-	-
Deferred tax		-	-
<b>Total tax expense / (income) (D)</b>		<b>-</b>	<b>-</b>
<b>Profit/(Loss) (E) = (C-D)</b>		<b>(215.83)</b>	<b>(240.04)</b>

See accompanying notes forming part of the financial statements

In terms of our report attached  
**For S G M & Associates LLP**  
Chartered Accountants

**For HCG EKO ONCOLOGY LLP**

Sd/-  
**S Vishwamurthy**  
Partner

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Designated Partner

Bengaluru, 16 August 2023

Bengaluru, 16 August 2023      Kolkata, 16 August 2023

**HCG EKO Oncology LLP**  
**Cashflow Statement for the year ended 31 March 2023**

(Amount in ₹ Million, unless otherwise specifically mentioned)

Particulars	For the year ended	
	31-Mar-2023	31-Mar-2022
Cash flow from operating activities		
<b>Net loss before tax</b>	<b>(215.83)</b>	<b>(240.04)</b>
Adjustments for:		
Depreciation and amortisation expense	54.49	53.39
Interest income on bank deposit	(0.12)	(0.12)
Provision for doubtful trade and other receivables, loans and advances (net)	6.66	5.65
Interest expense	70.87	58.62
Unrealised foreign exchange (gain)/loss	-	-
<b>Operating profit before working capital changes</b>	<b>(83.93)</b>	<b>(122.50)</b>
Adjustment for (increase)/ decrease in operating assets:		
Inventories	(5.50)	(0.85)
Trade receivables	(52.26)	(17.97)
Long-term loans and advances	(0.05)	(0.78)
Short-term loans and advances	0.03	0.96
Other current assets	(0.95)	4.83
Adjustment for increase/ (decrease) in operating liabilities:		
Trade payables	106.13	69.97
Other current liabilities	14.39	(4.68)
Long-term and short-term provisions	0.41	0.41
<b>Cash generated from operations</b>	<b>(21.73)</b>	<b>(70.61)</b>
Taxes paid during the year (net)	0.03	(7.31)
<b>Net cash generated from operating activities (A)</b>	<b>(21.70)</b>	<b>(77.92)</b>
<b>Cash flows from investing activities</b>		
Capital expenditure on fixed assets (including capital advance)	(14.82)	(7.52)
Interest income	0.12	0.12
<b>Net cash flow from investing activities (B)</b>	<b>(14.70)</b>	<b>(7.40)</b>
<b>Cash flows from financing activities</b>		
Investment / (drawings) by partners	127.76	138.77
Long-term borrowings availed	-	-
Long-term borrowings repaid	(30.97)	(23.13)
Interest paid	(25.23)	(26.28)
Movement in balance with bank in earmarked accounts	0.32	0.10
<b>Net cash flows from financing activities (C)</b>	<b>71.88</b>	<b>89.46</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>35.48</b>	<b>4.14</b>
Cash and cash equivalents at beginning of the year	<b>6.40</b>	<b>2.26</b>
Cash and cash equivalents at end of the year	<b>41.88</b>	<b>6.40</b>

See accompanying notes forming part of the financial statements

In terms of our report attached  
**For S G M & Associates LLP**  
Chartered Accountants

**For HCG EKO ONCOLOGY LLP**

Sd/-  
**S Vishwamurthy**  
Partner

Sd/-  
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Designated Partner

Sd/-  
**Nand Singh Rathore**  
Designated Partner

Bengaluru, 16 August 2023

Bengaluru, 16 August 2023

Kolkata, 16 August 2023

**Note**  
**No.**

**1 Nature of operations:**

HCG EKO Oncology LLP ('HCG EKO' or 'LLP') is a Limited Liability Partnership registered under Limited Liability Partnership Act, 2008. HealthCare Global Enterprises Limited ('HCG') and EKO Diagnostic Private Limited ('EKO') are partners in LLP having capital and profit sharing ratio of 50.50 : 49.50. HCG EKO is engaged in managing hospitals and medical diagnostic services including scientific testing and consultancy services in the pharmaceutical and medical sector. The LLP was incorporated on 15 May and has its registered office at # 8, P. Kalinga Rao Road, Sampangi Ram Nagar, Bengaluru – 560 027.

**2 Significant accounting policies**

**2.1 Basis of accounting and preparation of financial statements**

The Financial Statements of the LLP have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) and relevant provisions of Limited Liability Partnership Act, 2008. Indian GAAP comprise the Accounting Standards and the Technical Guidance issued by the Institute of Chartered Accountants of India. The Financial Statements have been prepared on accrual basis under the historical cost convention.

**Going concern basis**

The Firm has incurred losses in the current year and in the previous year and partner's fund (networth) is negative as at 31 March 2023. Considering the support letter received from the Holding Company (HealthCare Global Enterprise Limited), the Management has prepared the Financial Statements on a going concern basis.

**2.2 Use of estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

**2.3 Revenue recognition**

Income is recognised on accrual basis. Fees are recognised on the basis of net revenue sharing with business facilitators.

Rental income is recognised on accrual basis and as per the term & conditions of the rental agreement.

Interest income on deposits with banks is accounted on accrual basis.

**2.4 Property, plant and equipment**

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. Costs directly attributable to the acquisition are capitalized until the asset is ready for use, as intended by the management. Subsequent expenditure relating to Property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

**2.5 Depreciation and amortisation**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible Property, plant and equipment has been provided on the written-down value method at the rates arrived on the basis of useful life of the assets assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, maintenance support, etc., except in case of Property, plant and equipment costing up to Rs. 5,000/- where it is being depreciated 100% in the year of acquisition itself.

**2.6 Inventories**

Inventories consist of consumables that are carried at lower of cost or net realisable value. Cost is determined on first-in-first -out basis.

**2.7 Foreign currency transactions**

Initial recognition: Transactions in foreign currencies entered into by the LLP are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement of foreign currency monetary items at the Balance Sheet date: Foreign currency monetary items (other than derivative contracts), outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the LLP are carried at historical cost.

Treatment of exchange differences: Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the LLP are recognized as income or expense in the Statement of Profit and Loss.

Exchange difference on long-term foreign currency monetary items: The exchange differences arising on settlement / restatement of long-term foreign currency monetary items relating to acquisition of depreciable Property, plant and equipment are capitalised as part of the Property, plant and equipment and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable Property, plant and equipment, the exchange difference is amortised over the maturity period / up to the date of settlement of such monetary items, whichever is earlier, and charged to the Statement of Profit and Loss.

**Note**

**No.**

**2.8 Borrowing costs**

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

**2.9 Employee benefits**

- (i) Short Term employee benefits are recognised as an expense at the undiscounted amount in the profit and loss account of the period in which the related service is rendered. Privilege leaves are short term employee benefits and are charged to the statement of income and expenditure at the amount based on the management's decision.
- (ii) Post employment benefits are recognised as an expense in the profit and loss account for the year in which the employee has rendered service. The expense is recognised at the present value of the amount payable towards contribution. The present value is determined using the market yields of government bonds, at the balance sheet date, as the discounting rate.
- (iii) Actuarial gains and losses in respect of post employment and other long term benefits are charged to the profit and loss account.

**2.10 Taxes on income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Alternate Minimum Tax (AMT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the LLP will pay normal income tax. Accordingly, AMT is recognized as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the LLP.

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets are recognized for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realize the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the LLP has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their reliability.

**2.11 Impairment of assets**

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased such reversal of impairment loss is recognized in the Statement of Profit and Loss.

**2.12 Provisions and contingencies**

A provision is recognized when the LLP has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognized in the financial statements.

**2.13 Operating cycle**

Based on the nature of products / activities of the LLP and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Note

No.

**3 Partners' contribution**

Particulars	As at					
	31-Mar-2023			31-Mar-2022		
	HCG	EKO	Total	HCG	EKO	Total
<b>Fixed capital</b>						
Opening balance	0.51	0.49	1.00	0.51	0.49	1.00
Changes during the year	-	-	-	-	-	-
<b>Closing balance</b>	<b>0.51</b>	<b>0.49</b>	<b>1.00</b>	<b>0.51</b>	<b>0.49</b>	<b>1.00</b>
<b>Variable capital</b>						
Opening balance	520.74	138.45	659.19	381.97	138.45	520.42
Additional contribution	124.89	2.87	127.76	138.77	-	138.77
<b>Closing balance</b>	<b>645.63</b>	<b>141.32</b>	<b>786.95</b>	<b>520.74</b>	<b>138.45</b>	<b>659.19</b>

**4 Reserve and surplus**

Particulars	31-Mar-2023	31-Mar-2022
<b>Undistributed surplus / (deficit)</b>		
Opening balance	(595.95)	(355.91)
Loss for the year	(215.83)	(240.04)
<b>Closing balance</b>	<b>(811.78)</b>	<b>(595.95)</b>

**5 Long-term borrowings**

Particulars	31-Mar-2023	31-Mar-2022
<b>Secured</b>		
(i) Long-term loan from bank	209.97	248.78
<b>Total</b>	<b>209.97</b>	<b>248.78</b>

**(i) Terms of repayment and security**

	31-Mar-2023	31-Mar-2022
<b>Secured long-term from banks</b>		
Non-current portion	209.97	248.78
Amounts included under current maturities of long-term debt	39.19	31.35
Security: Exclusive charge on (i) all assets (equipment) purchased / funded through the above loan; (ii) all movable fixed assets and current assets (both present and future) of the LLP, including any refundable lease/rental deposit placed with lessor, excluding any assets which are charged exclusively to any lessor/vendor. Unconditional and irrevocable corporate guarantee and debt shortfall undertaking from the Partners in the LLP.		
Repayment terms and interest: Repayment in quarterly structured instalments with a moratorium of 3 years.		
Rate of interest is as per bank's REPO rate.		

**6 Long-term provision**

Particulars	31-Mar-2023	31-Mar-2022
Provision for employee benefits		
27 Gratuity	1.18	0.70
Compensated absence	0.57	0.64
<b>Total</b>	<b>1.75</b>	<b>1.34</b>

**7 Short-term borrowings**

Particulars	31-Mar-2023	31-Mar-2022
Current maturities of long term debt	39.19	31.35
<b>Total</b>	<b>39.19</b>	<b>31.35</b>

**8 Trade payables**

Particulars	31-Mar-2023	31-Mar-2022
(i) Total outstanding dues of micro enterprises and small enterprises	10.04	0.70
Total outstanding dues of creditors other than micro enterprises and small enterprises	252.07	155.28
<b>Total</b>	<b>262.11</b>	<b>155.98</b>

(i) Note: There are no dues to Micro and Small Enterprises. The information disclosed with regard to Micro and Small Enterprises is based on information collected by the Management. This has been relied upon by the auditors.



Note

No.

(b) **Ageing of trade payables**

Outstanding for following periods from due date of payment	Less one year	One to two years	Two to three years	More than three years	Total
<b>31-Mar-2023</b>					
MSME	10.04	-	-	-	<b>10.04</b>
Others	155.59	47.52	23.78	8.14	<b>235.03</b>
Unbilled dues	17.04	-	-	-	<b>17.04</b>
<b>31-Mar-2022</b>					
MSME	0.70	-	-	-	<b>0.70</b>
Others	109.75	23.58	4.65	1.52	<b>139.50</b>
Unbilled dues	15.78	-	-	-	<b>15.78</b>

Note: Disputed trade payable balance as at 31 March 2023 and 2022 is ₹ Nil.

**9 Other current liabilities**

Particulars	31-Mar-2023	31-Mar-2022
Interest payable to holding company	92.57	46.93
Accrued salary benefits	14.74	9.45
Payable on purchase of fixed assets	1.74	1.74
Statutory remittances	4.50	2.90
Advance received from patients	8.59	1.09
<b>Total</b>	<b>122.14</b>	<b>62.11</b>

**10 Short-term provision**

Particulars	31-Mar-2023	31-Mar-2022
Provision for employee benefits:		
27 Gratuity	0.28	0.17
Compensated absence	0.41	0.52
<b>Total</b>	<b>0.69</b>	<b>0.69</b>

Note

No.

**12 Other non-current assets**

Particulars	31-Mar-2023	31-Mar-2022
Term deposit with banks and financial institutions	0.78	1.10
Security deposit	6.05	6.00
<b>Total</b>	<b>6.83</b>	<b>7.10</b>

**13 Inventories**

Particulars	31-Mar-2023	31-Mar-2022
Inventories (lower of cost and net realisable value)		
Medicines	13.58	7.92
Other consumables	0.82	0.98
<b>Total</b>	<b>14.40</b>	<b>8.90</b>

**14 Trade receivables**

Particulars	31-Mar-2023	31-Mar-2022
Other trade receivables		
Unsecured, considered good	81.16	35.56
Doubtful	23.20	16.54
	<b>104.36</b>	<b>52.10</b>
Less: Provision for doubtful trade receivables	(23.20)	(16.54)
	<b>81.16</b>	<b>35.56</b>
<b>Total</b>	<b>81.16</b>	<b>35.56</b>

**(a) The ageing of trade receivables as at the end of the reporting period is as follows:**

Outstanding for following period from due date of payment	As at	
	31-Mar-2023	31-Mar-2022
Unbilled	14.70	3.48
Less than six months	49.28	15.98
Six months to one year	18.77	25.08
One to two years	15.75	6.94
Two to three years	5.46	0.55
More than three years	0.40	0.07
Provision for doubtful trade receivables	(23.20)	(16.54)
<b>Total</b>	<b>81.16</b>	<b>35.56</b>

**15 Cash and cash equivalents**

Particulars	31-Mar-2023	31-Mar-2022
Cash-on-hand	0.30	0.92
Balances with banks		
In current accounts	41.58	5.48
<b>Total</b>	<b>41.88</b>	<b>6.40</b>

**16 Short-term loans and advance**

Particulars	31-Mar-2023	31-Mar-2022
Prepaid expenses	0.59	1.05
Advance to vendor	2.15	1.74
Receivable from revenue authorities	0.93	-
Loans and advances to employees	0.63	1.54
<b>Total</b>	<b>4.30</b>	<b>4.33</b>

**17 Other current assets**

Particulars	31-Mar-2023	31-Mar-2022
Security deposits	1.06	0.57
Income tax and tax deducted-at-source	9.56	9.59
Interest accrued on fixed deposit	0.02	0.01
Term deposit with banks and financial institutions	1.33	0.88
<b>Total</b>	<b>11.97</b>	<b>11.05</b>

Note

No.

**18 Revenue from operations**

Particulars	31-Mar-2023	31-Mar-2022
Pharmacy sales	10.27	5.87
Medical service income	392.72	250.83
<b>Total</b>	<b>402.99</b>	<b>256.70</b>

**19 Other income**

Particulars	31-Mar-2023	31-Mar-2022
Interest income from :		
deposits with bank	0.12	0.12
income tax refund	0.23	0.09
<b>Total</b>	<b>0.50</b>	<b>0.21</b>

**20 Employee benefit expense**

Particulars	31-Mar-2023	31-Mar-2022
Salaries and wages	61.55	56.22
Contributions to provident and other funds	3.81	3.76
(a) Expense on employee stock option scheme	(0.16)	0.36
Staff welfare expenses	2.08	1.00
<b>Total</b>	<b>67.28</b>	<b>61.34</b>

(a) During the current year certain employees of the LLP have been granted employee stock option under the 'Employee Stock Option Scheme' [ESOP] of the HCG, one of the partner in the LLP. Expense on ESOP relates to stock options granted to employees of the LLP cross charged by HCG.

**21 Finance costs**

Particulars	31-Mar-2023	31-Mar-2022
Interest on		
Term loan	23.52	25.32
Interest on loan from partners	45.65	32.32
Bank charges and other borrowing cost	1.70	0.98
<b>Total</b>	<b>70.87</b>	<b>58.62</b>

**22 Other expenses**

Particulars	31-Mar-2023	31-Mar-2022
Medical consultancy charges	64.34	48.57
Legal and professional fees	70.72	48.60
Lab charges	31.06	24.68
Power, fuel and water	14.95	14.59
Rent including lease rentals	26.35	23.37
Repairs and maintenance:		
Buildings	-	2.12
Machinery	26.11	24.88
Others	6.25	5.12
Insurance	0.89	0.78
Rates and taxes	0.45	0.61
Communication	1.22	0.84
Travelling and conveyance	5.67	5.25
Printing and stationery	2.27	2.27
House keeping and security	10.31	9.32
Business promotion expenses	16.57	8.74
Laundry expenses	2.16	1.18
Payment to auditors for		
Statutory audit	0.48	0.48
Provision for doubtful trade and other receivables, loans and advances (net)	6.66	5.65
Miscellaneous expenses	1.22	0.57
<b>Total</b>	<b>287.68</b>	<b>227.62</b>

**HCG EKO Oncology LLP**

Notes forming part of financial statements

**Note***(Amount in ₹ Million, unless otherwise specifically mentioned)***No.****11 Property, plant and equipment and intangible assets**

Particulars	Gross Carrying Value				Depreciation/Amortisation				Net Carrying Value	
	Balance as at	Additions	Disposals	Balance as at	Balance as at	Depreciation expense for the year	Adjustments	Balance as at	Balance as at	Balance as at
	1-Apr-2022			31-Mar-2023	1-Apr-2022			31-Mar-2023	31-Mar-2023	31-Mar-2022
Leasehold improvements	246.79	-		246.79	58.13	24.48		82.61	164.18	188.66
	246.68	0.11	-	246.79	33.66	24.47	-	58.13	188.66	213.02
Plant & machineries	342.59	13.75	-	356.34	65.84	24.69	-	90.53	265.81	276.75
	331.23	11.36	-	342.59	42.28	23.56	-	65.84	276.75	288.95
Furniture & fixtures	22.36	0.04	-	22.40	5.29	2.21	-	7.50	14.90	17.07
	22.26	0.10	-	22.36	3.09	2.20	-	5.29	17.07	19.17
Office equipment	2.94	0.02	-	2.96	1.64	0.52	-	2.16	0.80	1.30
	2.92	0.02	-	2.94	1.14	0.50	-	1.64	1.30	1.78
Computer	6.07	1.01	-	7.08	2.98	1.27	-	4.25	2.83	3.09
	5.82	0.25	-	6.07	1.64	1.34	-	2.98	3.09	4.18
Software	7.92	-	-	7.92	3.64	1.32	-	4.96	2.96	4.28
	7.92	-	-	7.92	2.32	1.32	-	3.64	4.28	5.60
<b>Total</b>	<b>628.67</b>	<b>14.82</b>	<b>-</b>	<b>643.49</b>	<b>137.52</b>	<b>54.49</b>	<b>-</b>	<b>192.01</b>	<b>451.48</b>	<b>491.15</b>
<i>Previous Year</i>	<i>616.83</i>	<i>11.84</i>	<i>-</i>	<i>628.67</i>	<i>84.13</i>	<i>53.39</i>	<i>-</i>	<i>137.52</i>	<i>491.15</i>	<i>532.70</i>

**Note No.**

**23** Contingent liabilities and commitments (to the extent not provided for) - ₹ Nil

**24 Related party disclosure**

**Name of the related party and nature of relationship**

<b>Name of the related party</b>	<b>Nature</b>
HealthCare Global Enterprises Limited	Majority partner
EKO Diagnostic Private Limited	Partner
HCG Medi-Surge Hospitals Private Limited	Subsidiary of HCG
APEX HCG Oncology Hospitals LLP	Subsidiary of HCG

**Transaction during the year period with related parties**

<b>Particulars</b>	<b>31-Mar-2023</b>	<b>31-Mar-2022</b>
Capital infusion		
HealthCare Global Enterprises Limited	124.89	138.77
EKO Diagnostic Private Limited	2.87	-
Purchase of pharmacy products and consumables		
HealthCare Global Enterprises Limited	4.07	-
Diagnostic charges		
HealthCare Global Enterprises Limited	13.17	-
Lease rent		
EKO Diagnostic Private Limited	24.04	20.91
Professional services charges		
EKO Diagnostic Private Limited	29.85	24.30
Income from medical services		
HCG Oncology Hospitals LLP (formerly, Apex HCG)	1.60	-
Other services		
HealthCare Global Enterprises Limited	2.45	6.47
Expenses Cross charged -		
HealthCare Global Enterprises Limited	2.33	-
Interest expense		
HealthCare Global Enterprises Limited	45.65	32.32

**Balances with related parties**

<b>Particulars</b>	<b>31-Mar-2023</b>	<b>31-Mar-2022</b>
Fixed contribution		
HealthCare Global Enterprises Limited	0.51	0.51
EKO Diagnostic Private Limited	0.49	0.49
Current contribution (net of share of losses)		
HealthCare Global Enterprises Limited	242.12	219.88
EKO Diagnostic Private Limited	(246.36)	(156.62)
Trade payable		
HealthCare Global Enterprises Limited	30.15	27.61
EKO Diagnostic Private Limited	3.78	2.97
Trade receivables		
HealthCare Global Enterprises Limited	0.03	0.21
HCG Medi-Surge Hospitals Private Limited	-	1.59
APEX HCG Oncology Hospitals LLP	1.44	-
Interest accrued		
HealthCare Global Enterprises Limited	92.57	46.93
Lease rental deposit / security deposit		
EKO Diagnostic Private Limited	8.85	8.85

**25 Unhedged foreign currency exposure**

<b>Currency</b>	<b>31-Mar-2023</b>	<b>31-Mar-2022</b>
Deferred payment obligations (INR)	-	17.46
Deferred payment obligations (USD)	-	0.23

**26** The LLP's operations comprises of only one segment viz., is engaged in managing hospitals and medical diagnostic services including scientific testing and consultancy services in the pharmaceutical and medical sector. The LLP's operations are in India and therefore there are no secondary geographical segments.

**27 Employee benefits**

**Defined contribution plan**

The Company makes Provident Fund contributions (PF) and Employee State Insurance Scheme (ESI), which are a defined contribution plan, for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes. Contribution to defined plan recognised in the Statement of Profit and Loss:

Note  
No.

Particulars	31-Mar-2023	31-Mar-2022
Provident Fund contributions	2.89	2.79
Employee State Insurance Scheme	0.27	0.27
<b>Defined benefit plan</b>		
The Company has a defined Gratuity benefit plan. The following table summarizes the components of net employee benefit expenses recognised in the Statement of Profit and Loss and amounts recognised in the Balance Sheet for the plan.		
Particulars	31-Mar-2023	31-Mar-2022
<b>Components of employer expense</b>		
Current service cost	0.30	0.21
Past service cost	-	-
Interest cost	0.08	0.05
Expected return on plan assets	-	-
Actuarial losses / (gain)	0.24	0.02
<b>Total expense recognized in Statement of Profit and Loss</b>	<b>0.62</b>	<b>0.28</b>
<b>Actual contributions and benefits payments</b>		
Actual benefit payments	-	-
Actual contributions	-	-
<b>Net asset / (liability) recognised in the Balance Sheet</b>		
Present value of defined benefit obligation	1.46	0.87
Fair value of plan assets	-	-
<b>Funded status [Surplus / (Deficit)]</b>	<b>1.46</b>	<b>0.87</b>
Unrecognised actuarial (gains) / losses	-	-
<b>Net asset / (liability) recognised in the Balance Sheet</b>	<b>1.46</b>	<b>0.87</b>
Current	0.28	0.17
Non-current	1.18	0.70
<b>Change in defined benefit obligations (DBO) during the year</b>		
<b>Present value of DBO at beginning of the year</b>	<b>0.87</b>	<b>0.64</b>
Current service cost	0.30	0.21
Interest cost	0.08	0.05
Acquisitions	-	-
Actuarial (gains) / losses	0.24	0.02
Past service cost	-	-
Benefits paid	(0.03)	(0.05)
<b>Present value of DBO at the end of the year</b>	<b>1.46</b>	<b>0.87</b>
Experience adjustment	-	-
Defined benefit obligation	1.46	0.87
Fair value of plan assets	-	-
<b>Funded status [Surplus / (Deficit)]</b>	<b>1.46</b>	<b>0.87</b>
Experience gain / (loss) adjustments on plan liabilities	0.24	0.02
Experience gain / (loss) adjustments on plan assets	-	-
<b>Principal assumptions for Gratuity and Compensated absence</b>		
Discount rate	7.30%	7.00%
Salary escalation	5.00%	5.00%
Attrition rate	30.00%	36%
Retirement age [in years]	60	60
Mortality table	IAL2012-14Ult	

**28 Leases**

Leases: The Company has entered into operating lease arrangements for its hospital and other premises.

Particulars	31-Mar-2023	31-Mar-2022
Amounts recognized in statement of profit and loss in respect of above leases	26.35	23.37
The future minimum lease payments under non-cancellable operating leases in the aggregate and for each of the following periods:		
Not later than one year	24.04	24.04
Later than one year and not later than five years	106.99	103.39
Later than five years	31.80	59.45

**28** Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

In terms of our report attached

**For S G M & Associates LLP**  
Chartered Accountants

Sd/-  
**S Vishwamurthy**  
Partner

Bengaluru, 16 August 2023

**For HCG EKO ONCOLOGY LLP**

Sd/-  
**Dr. B S Ajaikumar**  
Designated Partner

Sd/-  
**Nand Singh Rathore**  
Designated Partner

Bengaluru, 16 August 2023 Kolkata, 16 August 2023